

NEW APPLICATION  
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BEFORE THE ARIZONA CORPORATION COMMISSION

WILLIAM A. MUNDELL  
Commissioner - Chairman

AZ CORP COMMISSION  
DOCUMENT CONTROL

JIM IRVIN  
Commissioner

DOCKET NO. E-01461A-01-0083

MARK SPITZER  
Commissioner

DOCKET NO. E-01933A-01-0083

IN THE MATTER OF THE JOINT  
APPLICATION OF TUCSON ELECTRIC  
POWER COMPANY, AN ARIZONA  
CORPORATION, AND TRICO ELECTRIC  
COOPERATIVE, INC., AN ARIZONA  
CORPORATION, FOR AN ORDER  
APPROVING A BORDERLINE AGREEMENT.

DOCKET NO. \_\_\_\_\_

JOINT APPLICATION

COME NOW TUCSON ELECTRIC POWER COMPANY, an Arizona corporation ("TEP"),  
and TRICO ELECTRIC COOPERATIVE, INC., an Arizona corporation ("TRICO"), Joint Applicants  
herein, and allege to this Arizona Corporation Commission ("Commission") as follows in support of this  
Joint Application:

I.

TEP is a public service corporation engaged in the generation, transmission and distribution of  
electricity for the purpose of serving its customers located within a specifically designated service area  
in portions of Pima and Cochise Counties, Arizona, which has been certified and approved by the  
Commission ("TEP's Service Area").

II.

TRICO is a public service corporation engaged in the distribution of electricity for the purpose  
of serving its customers located within a specifically designated service area in portions of Pima, Pinal  
and Santa Cruz Counties, Arizona, which has been certified and approved by the Arizona Corporation  
Commission ("TRICO's Service Area").

1 III.

2 Mr. Barry Bender, an individual, ("BENDER"), has made application for electric service to his  
3 real property described in Exhibit "A" attached hereto to TEP and TRICO. BENDER's property is  
4 located within TEP's certificated territory. However, TRICO's facilities exist along the Northerly  
5 boundary of BENDER's and BENDER can receive service from TRICO at no charge because the  
6 distance is less than 600 feet distance allowance set forth in TRICO's line extension tariff, whereas the  
7 nearest TEP's facilities are more than 2500 feet away and the cost to extend service is approximately  
8 \$10,000. Accordingly, it is in the best interest of BENDER that TRICO serve his property until such  
9 time as TEP determines that it is economically feasible for TEP to serve the BENDER property.

10 IV.

11 TEP and TRICO have entered into an agreement (the "Agreement"), attached hereto as Exhibit  
12 "B" in order that TRICO may provide electric service to BENDER's. Pursuant to the Agreement, TEP  
13 reserves the right to provide electric service to BENDER's property when TEP determines that it is  
14 economical to do so. In the event TEP determines to provide such service, TEP will compensate TRICO  
15 for any of TRICO's facilities which can then be used by TEP in providing service to BENDER's  
16 property. TEP and TRICO request that the Agreement be approved by the Commission.

17 V.

18 TEP and TRICO each provide public utility electric service in other areas of Pima County,  
19 Arizona, pursuant to certificates of convenience and necessity issued by this Commission, and each  
20 utility is qualified and able to provide satisfactory public utility electric service in the respective area to  
21 be served by it pursuant to the proposed Agreement.

22 VI.

23 Applicants TEP and TRICO believe that the Agreement will be consistent with and promote the  
24 public interest, will be in the best interest of BENDER and will enable BENDER's to more efficiently  
25 and economically be provided electric service.

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VII.

On March 15, 1999, Decision No. 61570, the Commission approved a Borderline Agreement between TEP and TRICO to serve the real property described in Exhibit "A" upon the application of Marjorie Bender, wife of BENDER, whereby TRICO would serve such real property under the same provisions as set forth herein until such time as TEP determined that it was economically feasible to serve such property. This Joint Application is made in connection with a second service to such property.

VIII.

Notice of this Joint Application will be sent to BENDER.

IX.

The names of the corporate officers of applicants TEP and TRICO are the same as presently on file with the Commission.

X.

The financial statements of applicants TEP and TRICO are the same as presently on file in the Utilities Division of the Commission.

WHEREFORE, the Joint Applicants respectfully request the Commission to issue its decision or order approving the Agreement.

1  
2  
3 RESPECTFULLY SUBMITTED this 26<sup>TH</sup> day of JANUARY, 2001.

4 TUCSON ELECTRIC POWER COMPANY

5  
6 By David Couture  
7 David Couture  
8 Director, Regulatory Affairs  
9 4350 East Irvington Road  
10 P.O. Box 711, Mail Stop OH122  
11 Tucson, Arizona 85702

12 TRICO ELECTRIC COOPERATIVE, INC.

13  
14 By Charles N. Emerson  
15 Charles N. Emerson  
16 5100 West Ina Road  
17 P.O. Box 35970  
18 Tucson, AZ 85740-5970  
19 Manager Of Technical Service  
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3 Original and 10 copies of the  
4 foregoing mailed this 26TH day  
of JANUARY, 2001, to:

5 Docket Control  
6 Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

7 Copies of the foregoing mailed  
8 this 26TH day of JANUARY,  
~~2000~~, to:  
2001

9 Maureen Scott, Chief Counsel  
10 Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
11 Phoenix, Arizona 85007

12 Ray Williamson, Acting Director  
13 Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
14 Phoenix, Arizona 85007

15  
16 BY:  
17 Chuck Wilcox  
18 Right Of Way Agent  
Filing Joint Application for  
Trico Electric Cooperative, Inc.

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**EXHIBIT "A"**

THE EAST HALF OF THE NORTH HALF OF THE NORTHWEST QUARTER OF THE  
NORTHWEST QUARTER OF SECTION 33, TOWNSHIP 11 SOUTH, RANGE 13 EAST, GILA AND  
SALT RIVER BASE AND MERIDIAN, PIMA COUNTY ARIZONA.

EXCEPT THE NORTH 30.00 FEET AND THE WEST 30.00 FEET THEREOF.

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**EXHIBIT "B"**

**ELECTRIC SERVICE AUTHORIZATION AGREEMENT**

THIS ELECTRIC SERVICE AUTHORIZATION AGREEMENT (this "Agreement") is entered into this 26<sup>TH</sup> day of JANUARY, 2001, by and between TUCSON ELECTRIC POWER COMPANY, an Arizona corporation ("TEP"), TRICO ELECTRIC COOPERATIVE, INC., an Arizona corporation ("TRICO").

**RECITALS:**

1. The real property described in Exhibit "A" attached hereto (the "Subject Area") is within the area of TEP's Certificates of Convenience and Necessity issued by the Arizona Corporation Commission ("Commission");
2. Barry Bender, ("Customer") has requested that electric service be provided to the Subject area;
3. TEP has given Written Authorization whereby TRICO may temporarily service the Customer in the Subject Area; and
4. In TEP's opinion, because of current conditions, it is currently beneficial to the Customer for TEP to permit TRICO to temporarily provide electric service to the Customer's real property which TRICO is willing to provide as hereafter agreed.

**PROMISES AND COVENANTS:**

NOW, THEREFORE, in consideration of the foregoing recitals and in further consideration of the following covenants, promises, and provisions, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, for themselves, their agents, employees, successors and assigns, do hereby agree as follows:

1 5. TRICO is hereby authorized by TEP to enter the Subject Area, certificated to TEP, and  
2 construct and maintain electric service lines and facilities necessary to serve the Customer until such  
3 time as TEP notifies TRICO in writing of its intention to provide service to the Customer.

4 6. Upon receiving written notice of TEP's intention to serve the Customer, TRICO will sell  
5 to TEP and TEP will, notwithstanding paragraph 8, purchase all of TRICO's electric lines and facilities  
6 within the Subject Areas which are compatible with TEP's electric system and which can be ~~utilized~~  
7 by TEP to serve the Subject Area at original cost, depreciated at the rate of 3.32% per year, and TRICO  
8 will discontinue providing electricity service in the Subject Area by TRICO, at no cost to the Customer.  
9

10 7. If the sale of TRICO's facilities to TEP is subject to prior approval by the Commission,  
11 TRICO will use its best efforts to obtain said sale approval.  
12

13 8. Nothing in this Agreement precludes TEP from serving within the Subject Area with  
14 TEP's facilities.

15 9. This Agreement shall be binding upon and inure to the benefit of the parties hereto and  
16 their respective successors in interest and assigns, whether arising voluntarily or by operation of law.  
17

18 10. This Agreement shall become effective when approved by the Commission.

19 IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first  
20 above written.

21 TUCSON ELECTRIC POWER COMPANY,

22 an Arizona corporation

23 By David Coats

24 Its DIRECTOR, Regulatory  
25 Affairs  
26

TRICO ELECTRIC COOPERATIVE,

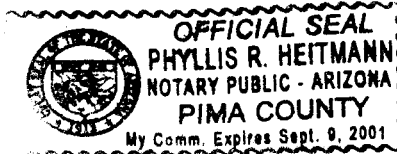
INC., an Arizona corporation

23 By Charles Emerson

24 Its Manager of Technical Services  
25  
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2  
3 STATE OF ARIZONA )  
4 ) ss.  
5 COUNTY OF PIMA )



6 The foregoing instrument was acknowledged before me this 25<sup>TH</sup> day of JANUARY, 2001,  
7 by DAVID COUTERE of TUCSON ELECTRIC POWER  
8 COMPANY, an Arizona corporation, on behalf of the corporation.

9 Phyllis R. Heitmann  
10 Notary Public

11 My Commission Expires:

12 9-9-2001

13  
14 STATE OF ARIZONA )  
15 ) ss.  
16 COUNTY OF PIMA )

17 The foregoing instrument was acknowledged before me this 26<sup>TH</sup> day of JANUARY, 2001,  
18 by CHARLES N. ENDERSON of TRICO ELECTRIC COOPERATIVE,  
19 INC., an Arizona corporation, on behalf of the corporation.

20 Charles N. Enderson  
21 Notary Public

22 My Commission Expires:

23 2-21-2002  
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***Tucson Electric Power Company***  
4350 East Irvington Road, Post Office Box 711  
Tucson, Arizona 85702

January 25, 2001

Mr. Charles N. Emerson  
Manager of Technical Services  
Trico Electric Cooperative, Inc.  
P.O. Box 35970  
Tucson, AZ 85740

Dear Mr. Emerson:

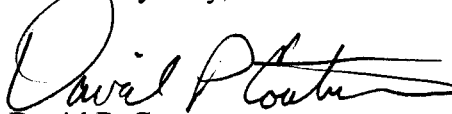
Mr. Barry Bender has formally requested that Tucson Electric Power Company ("TEP") allow Trico to provide electric service to the real property of him and his wife, Marjorie Bender located in TEP's certificated service territory. The real property is legally described as the E1/2 N1/2 NW1/4 NW1/4 Sec. 33, T11S, R13E, G&SRB&M, Pima County, Arizona, EXCEPT the N 30 feet and the W 30 feet thereof. Trico has expressed a willingness to provide service to the property upon receipt of consent thereto by TEP.

In order to provide service to the property, TEP would be required to construct a line extension approximately 2500 feet in length at an approximate cost of \$10,000. Mr. Bender would be required to post a substantial cash deposit to cover the costs of construction. Since Trico can presently provide electric service to the property which is within 600 feet of Trico's existing facilities and therefore without cost to Mr. Bender, TEP hereby consents to Trico providing such service. However, TEP reserves the right to provide the electric service to the property commencing at such time that TEP can serve the site in a reasonably economical manner as determined solely by TEP.

This letter should not be construed as a waiver by TEP of its right to serve customers located within its certificated area and is not intended to constitute or effectuate any permanent modification of TEP's electric service area boundaries.

If you concur with this agreement and are willing to agree to the terms and conditions stated herein, please so indicate by signing where provided below and return this letter to my attention.

Yours very truly,



David P. Couture  
Director, Regulatory Affairs

**Approved and Accepted:**

A handwritten signature in cursive script, appearing to read "Charles N. Emerson", written over a horizontal line.

Charles N. Emerson  
Manager of Technical Services

Date: 1-26-01